

Summary of investigation methodology - privileged and confidential

1. Terms of reference

- 1.1 A subcommittee of the Board of ALH, comprising exclusively non-executive directors, was established to oversee an investigation into the allegations made by Mr Wilkie in federal parliament in February 2018, and subsequent media reports regarding those allegations (**Wilkie Allegations**).
- 1.2 The subcommittee appointed MinterEllison to provide advice to it in relation to the Wilkie Allegations, which required an investigation to be undertaken.

2. Methodology for investigation*Team*

- 2.1 MinterEllison was instructed to lead the process of the investigation and provide advice to the subcommittee in relation to the matter. In turn, MinterEllison retained:
 - (a) Ernst & Young to perform certain forensic document and IT related tasks;
 - (b) Mr Jonathan Forbes of counsel to conduct interviews with ALH employees across the country.

Objective

- 2.2 The objective of the investigation was to ascertain, in the quickest timeframe possible, whether there was any substance to the Wilkie Allegations and, if so, to determine to the extent possible the nature and extent of any conduct that could be characterised as being consistent with the conduct alleged by Mr Wilkie.

Process

- 2.3 A number of further steps were taken to seek to identify and ingest any other issues requiring specific focus and investigation, including:
 - (a) the establishment of a bespoke whistleblower program managed by Ernst & Young, with notice provided to all ALH employees of this service;
 - (b) all notifications under the existing Deloitte-hosted 'Speak Up' whistleblower program being redirected to MinterEllison, to ascertain their relevance to the investigation;
 - (c) an email from the CEO of ALH to all staff asking them to raise any other issues of concern in relation to the conduct of the business; and
 - (d) communications to Mr Wilkie (by both ALH and MinterEllison) to seek to obtain any further information relevant to the investigation or areas of focus for the investigation.
- 2.4 Once the existence of certain practices in certain hotels in Queensland was confirmed, there was a need to ascertain whether like practices existed across the country. A series of interviews were conducted across the country to seek to ascertain, at a high level, whether there was evidence of any like practices in the other jurisdictions in which ALH operates.
- 2.5 Responsible Gaming Canada (**RGC**) was separately engaged to conduct a review into ALH's responsible gaming programs and practices, benchmarked against international best practice. RGC conducted site audits, in a process managed and supervised by the subcommittee.

Independence from management

- 2.6 1(f) and 1(h)

Constraints

2.7 ALH has over 330 venues across Australia. The investigation undertaken by MinterEllison was not an audit or a forensic review of documentation across the ALH business. The investigation was leads-based, and used the specific allegations made, and documents referenced, by Mr Wilkie, as its initial point of departure. For that reason, the initial locus of the investigation was in Queensland.

2.8 1(f) and 1(h)

Selection of Interviewees

2.9 Consistently with the 'ground-up' approach, the interviewees were, in the main, Venue Managers and Operations Managers, on the basis that these employees were likely to have the greatest insight into how the company operates at ground level, while still possessing sufficient seniority to understand the company's strategy, regulations and practices.

2.10 1(f) and 1(h)

2.11 Certain employees (less than five) were on personal leave and therefore unavailable during the period of MinterEllison's investigations.

Geographical Considerations

2.12 The media reports surrounding the Wilkie Allegations connected those allegations to venues in Queensland. As such, the investigation commenced with Venue Managers and Operations Managers in Queensland.

2.13 The investigation team was conscious of the need to interview employees from both central and regional areas, in order to determine whether practices identified in one area were consistent with others, or whether they varied across each state.

2.14 Commencing investigations in Queensland allowed the investigation team to use the insight and information gained in Queensland to enquire whether similar practices had taken place in other states.

2.15 Interviews were undertaken in each state only insofar as it was necessary to form a confident view about the practices in that particular state. In some states, such as Tasmania and Victoria, it was possible for the investigation team to obtain a picture of the state-wide practices relatively quickly, and determined that further interviews would not be likely to provide any deeper insight. In other states, such as New South Wales, an identified divergence in practices necessitated a degree of further investigation.

Reporting

2.16 At the conclusion of its enquiries, MinterEllison reported its findings and conclusions to the subcommittee of the Board.

Jonathan Forbes/MinterEllison

27 July 2018